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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

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STATE TREASURER

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Notice of Revised 2008 Severance Tax Returns and Schedules

Enclosed are revised **2008** Michigan Severance Tax returns, schedules and instructions. Use the enclosed forms beginning with the January 2008 production, due February 25, 2008. The Department is providing an extension that will allow you to use the 2007 tax forms for January, February, and March 2008 production. **If you choose to use the 2007 returns, the 2008 oil & gas fee rate must be used to calculate the oil and gas fee due.**

Below is a list of the significant form changes:

- *Form 382 Severance Tax Report* has been split into two returns for reporting oil and gas separately:
 - (1) *Form 381 Oil Severance Tax Return*
 - (2) *Form 382 Gas Severance Tax Return*
- Every return filed must be identified as one of the following three return types:
 - (1) **Estimated** - *Estimated* returns filed must include an estimated payment.
 - (2) **Actual** - *Actual* returns must contain all production for that return period.
Do not net an *Actual* return with figures reported on an *Estimated* return.
 - (3) **Adjusted** - *Adjusted* returns contain supporting schedule data (forms 383 & 384) and report only the net change to the *Actual* return.
- Tax Identification Numbers are required on all returns and schedules.
- NGLs and Condensate product types have been added to the returns and are now reported in barrels (BBLs) instead of thousand cubic feet (Mcf).
- OGS (Office of Geological Survey) Well Permit numbers are required on *Forms 383 Production Report* and *384 Exempt Production and Value Report*.
- The Purchaser and the share percentage are required on *Form 383 Production Report*.

Failure to submit a return may result in an estimated bill. Late filing and/or late payments may be charged penalty and interest in accordance with Public Act 48 of 1929.

All forms and instructions are available on Michigan Department of Treasury's Web site at **www.michigan.gov/taxes**. If you have questions, please call the Michigan Department of Treasury, Special Taxes Unit, at (517) 636-4600 between 8 a.m. and 4:45 p.m., Monday through Friday.